

Date

City of Murfreesboro
Water and Sewer Department
Murfreesboro, TN 37133-1139

Re: Irrevocable Letter of Credit No. _____

(Name of Bank) hereby opens its irrevocable credit in favor of (Developer), hereinafter referred to as "Developer", with their principal place of business at (Developer's address and phone number), for the benefit of the City of Murfreesboro in the following manner and on the following terms:

1. Developer is responsible for the installation of all water and sewer lines and appurtenances to serve (Subdivision Name, Section & Phase #) to be located _____, in accordance with Developer's development contract (the "Contract") with the City of Murfreesboro ("City"), said installation hereinafter referred to as the "Project".
2. The extent of this Letter of Credit shall be \$ _____.
3. In the event the Developer fails to complete the Project, including the warranty, the City can call on this Letter of Credit in the amount anticipated to be necessary to complete the work, the cost thereof not to exceed the extent of the credit in Paragraph Two. As used in this document, the word "complete" shall mean performed in accordance with the terms of the Contract, including the performance of all necessary inspections and the payment of all necessary fees.
4. Draws in part or in full will be accompanied by a statement from properly authorized City Official that (i) the Project is not complete, (ii) a demand for either completing the Project or paying the anticipated cost of completing the Project has been made, and (iii) that the Developer failed or refused to either complete the Project or pay the anticipated cost of completing the Project.
5. After acceptance of the construction by the City of Murfreesboro, the extent of this Letter of Credit may be reduced, the reduction to be included in the acceptance notification. A written copy of the acceptance will be forwarded to the Bank.

This Letter of Credit expires not later than (Expiration date) unless a prior claim by the City is made.

Sincerely,